

Update on Board for Proprietary Education Activities

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BPE

CREATION AND COMPOSITION



OVERVIEW

- Established in 2012/13
- Authorize for-profit and selected not-for-profit institutions that are:
 - Credit-bearing
 - Degree-granting
 - Seeking or have accreditation from a body recognized by the U.S. Department of Education

BEFORE
2012/13

Credit-Bearing, Degree-Granting, Accredited Institution				
----- Yes -----			----- No -----	
	Indiana Institution	Out-of-State Institution		All Institutions
		Physical Presence	Distance Education	
Public	CHE	COPE	COPE	COPE
Private Not-for-Profit	CHE	COPE	COPE	COPE
Private For-Profit (Proprietary)	COPE	COPE	COPE	COPE

AFTER
2012/13

Credit-Bearing, Degree-Granting, Accredited Institution				
	----- Yes -----			----- No -----
	Indiana Institution	Out-of-State Institution		All Institutions
		Physical Presence	Distance Education	
Public	CHE	BPE	CHE	DWD
Private Not-for-Profit	CHE	BPE	CHE	DWD
Private For-Profit (Proprietary)	BPE	BPE	CHE	DWD

MEMBERSHIP & STAFFING

- Administered and staffed by the Indiana Commission for Higher Education
- Board meets quarterly to consider institutional and degree authorization
- Board consists of:
 - 5 gubernatorial appointees
 - 2 ex-officio members (CHE and IDOE)

THE BOARD MEMBERS

- Designee of Commissioner for Higher Education (Ken Sauer)
- Designee of Secretary of Education (Scott Bogan)
- Proprietary Sector Representative (Kenneth Konesco)
- Industrial Training Representative (Position Vacant)
- Public at Large Representatives
 - Rod Haywood, Jr.
 - Anne Shane
 - Jean Putnam



BPE-AUTHORIZED INSTITUTIONS

OVERVIEW



AUTHORIZED INSTITUTIONS/CAMPUSES

- July 2013:
 - 32 institutions with
 - 61 campuses in the State of Indiana
- July 2021:
 - 30 institutions with
 - 35 campuses in the State of Indiana



MARCH 2021 QUARTERLY ENROLLMENT

Undergraduate		
Certificates	1,992	46.5%
Associate	1,274	29.8%
Bachelor's	567	13.2%
Unclassified	19	0.4%
Subtotal	3,852	90.0%
Graduate		
Certificates	116	2.7%
Master's	297	6.9%
Doctoral	17	0.4%
Subtotal	430	10.0%
All Levels	4,282	100.0%

TYPE OF ACCREDITATION

- 8 Institutional (formerly regional)
e.g. Higher Learning Commission (HLC), five institutions
- 13 National
e.g. Accrediting Bureau of Health Education Schools (ABHES), six institutions
Accrediting Commission of Career Schools and Colleges (ACCSC), five institutions
- 4 Specialized
e.g. American Board of Funeral Service Education (ABFSE), one institution

TYPE OF GOVERNANCE

- 20 For-Profit
 - 10 Indiana owned (single campus, only in Indiana)
 - 10 Non-Indiana owned (multiple campuses, multiple states)
- 9 Not-for-Profit
 - 1 Indiana owned (single campus, only in Indiana)
 - 8 Non-Indiana owned (multiple campuses, multiple states)

NOT-FOR-PROFIT EXAMPLES

Hospital-Based

- Ascension Saint Vincent College of Health Professions
- St. Anthony School of Echocardiography

Single Purpose

- Mid-America College of Funeral Service

Waived Religious Exemption

- Northpoint Bible College and Graduate School

Conversion from For-Profit to Not-For-Profit

- Ross Medical Education Center

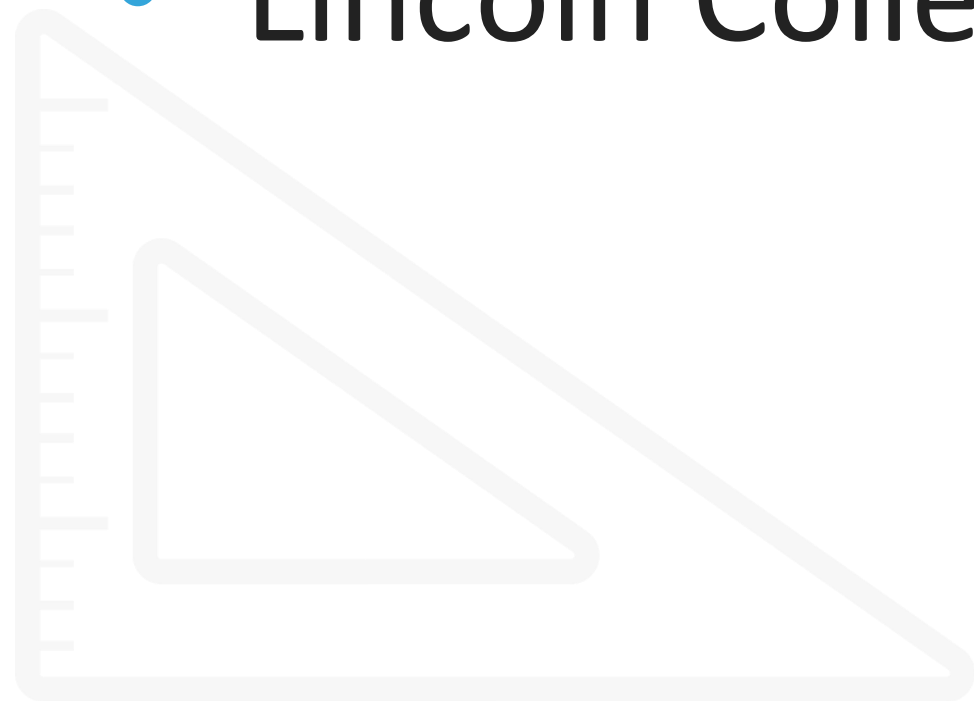
INSTITUTIONS PARTICIPATING IN SARA*

- American College of Education
- College of Court Reporting
- John Patrick University of Health and Applied Sciences
- Lincoln College of Technology
- Mid-America College of Funeral Service
- MyComputerCareer

*State Authorization Reciprocity Agreement (SARA)

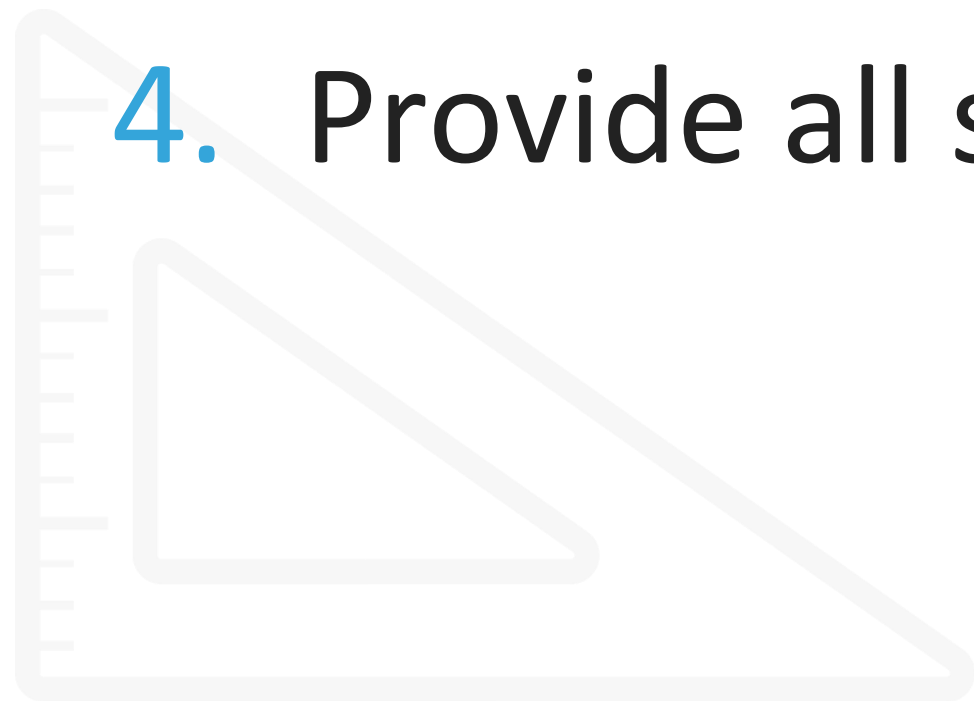
INSTITUTIONS PARTICIPATING IN STATE FINANCIAL AID (SFA)

- Caris College
- Chamberlain University
- Fortis College
- International Business College
- Lincoln College of Technology



CRITERIA FOR PARTICIPATION IN SFA

1. Institution offers an associate degree or higher
2. Eligible for federal Title IV financial aid
3. Subject to an annual compliance audit
4. Provide all students with student loan disclosures (“debt letter”)



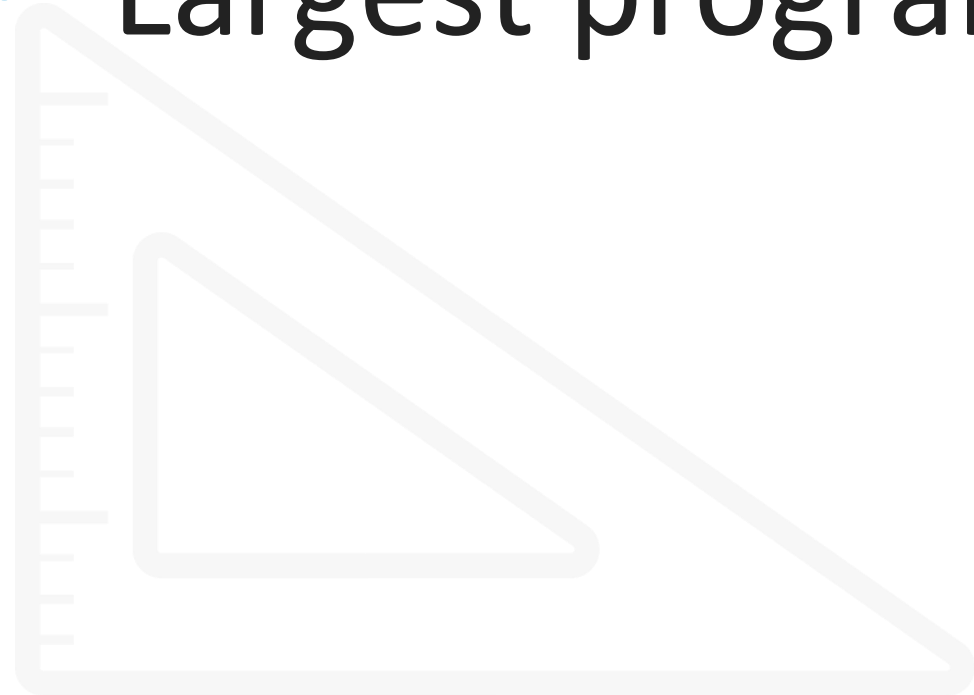
THE RANGE OF BPE INSTITUTIONS

SELECTED PROFILES



LINCOLN COLLEGE OF TECHNOLOGY

- Initial authorization: 1972
- Fall 2020 total enrollment: 999 (745 in Indiana)
- Instruction is delivered via In-Person, Distance Education, Blended Delivery
- Offers 1 certificate, 8 diploma, and 4 associate degree programs
- Largest program: Automotive Technology



RELAY GRADUATE SCHOOL OF EDUCATION

- Initial authorization: 2018
- Accredited by the Middle States Commission on Higher Education
- Accredited by the Council for the Accreditation of Educator Preparation
- Fall 2020 enrollment: 3,790 (63 in Indiana) in New York and 16 other Campuses
- Instruction delivered via hybrid learning (currently 100% distance education)
- Offers one master's program (pre-licensure teacher preparation)

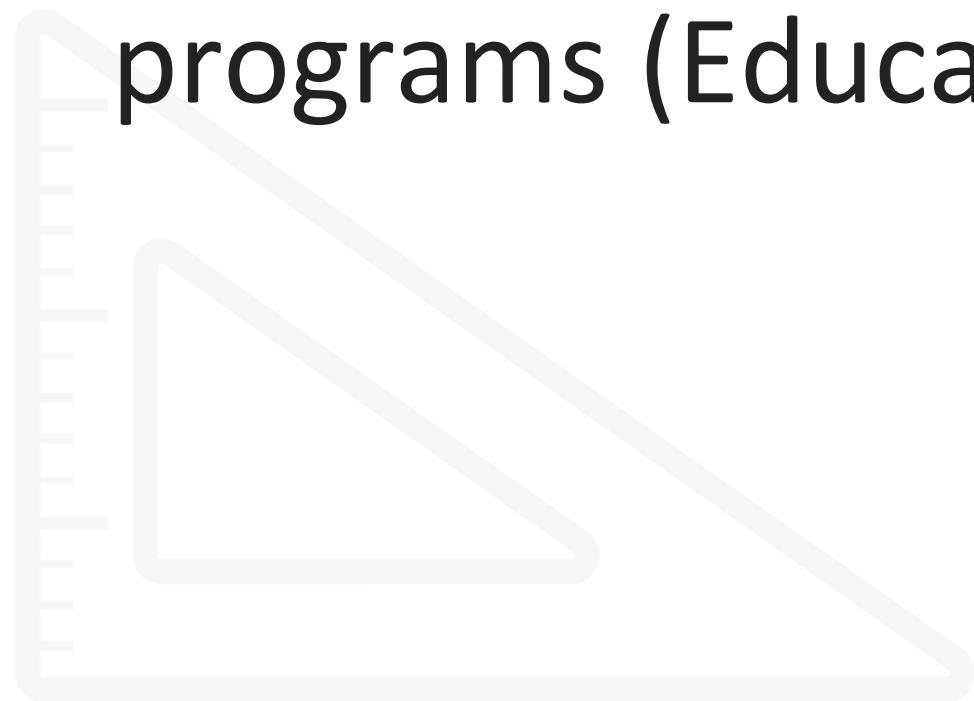
COLLEGE OF COURT REPORTING

- Initial authorization: 1985
- Accredited by the Distance Education Training Council
- Fall 2020 total enrollment: 123 (14 in Indiana)
- Exclusively Offers Instruction via Distance Education
- Offers 4 certificate and 1 associate degree programs (Court Reporting, Voice Captioning, and Transcription)



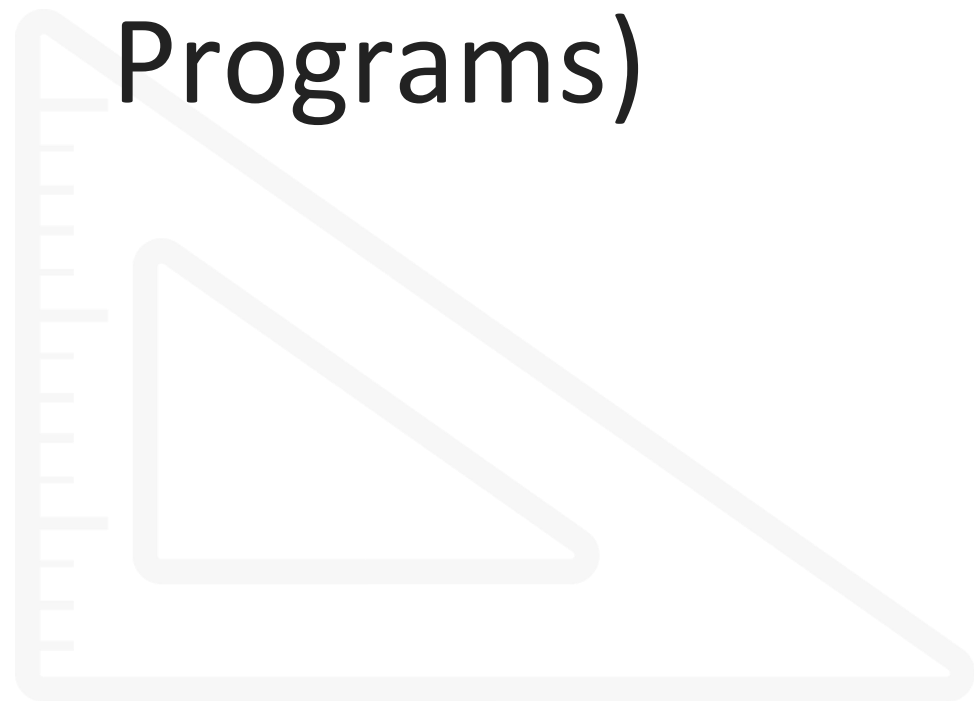
AMERICAN COLLEGE OF EDUCATION

- Initial authorization: 2005
- Accredited by the Higher Learning Commission
- Fall 2020 total enrollment: 8,112 (306 in Indiana)
- Exclusively Offers Instruction via Distance Education
- Offers 15 certificate, 7 bachelor's, 23 graduate certificate, 26 master's, and 6 doctoral programs (Education, Healthcare Administration, Post-Licensure Nursing, and Business)



CHAMBERLAIN UNIVERSITY

- Initial authorization: 2010
- Accredited by the Higher Learning Commission
- Fall 2020 total enrollment: 275 (270 in Indiana)
- Exclusively offers instruction in-person
- Offers 1 certificate and 1 bachelor's degree program (Pre- and Post-Licensure Nursing Programs)



JOHN PATRICK UNIVERSITY OF HEALTH AND APPLIED SCIENCES

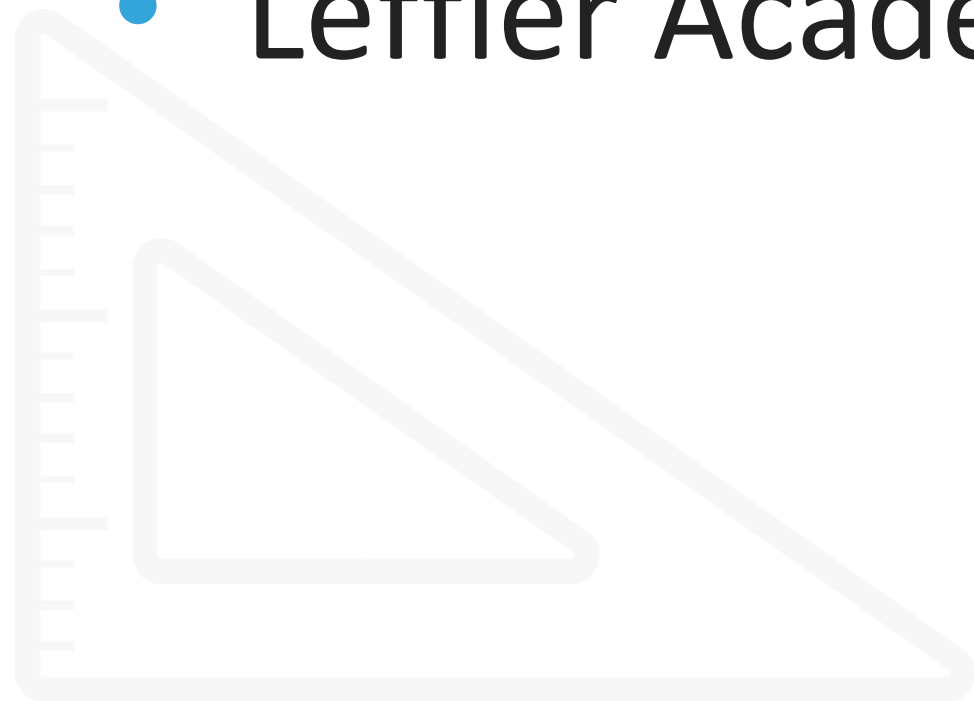
- Initial authorization: 2009
- Accredited by the Accrediting Commission of Career Schools and Colleges
- Total Enrollment of 133 (3 in Indiana)
- Instruction is delivered via Blended Delivery or Distance Education
- Offers 7 certificate, 2 associate's, 8 bachelor's, 5 graduate certificate, and 8 master's degree programs (Allied Health, Specifically Radiography and Medical Physics)

NURSING



INSTITUTIONS OFFERING PRE-LICENSURE NURSING PROGRAMS

- Chamberlain University
- Fortis College
- Hondros College
- Jersey College
- Leffler Academy



INSTITUTIONS SEEKING STATE BOARD OF NURSING ACCREDITATION

- ACL Medical Training Academy
- ALR Medical Education Health Services
- Caris College
- South College



SIGNIFICANT CLOSURES & BPE RESPONSE



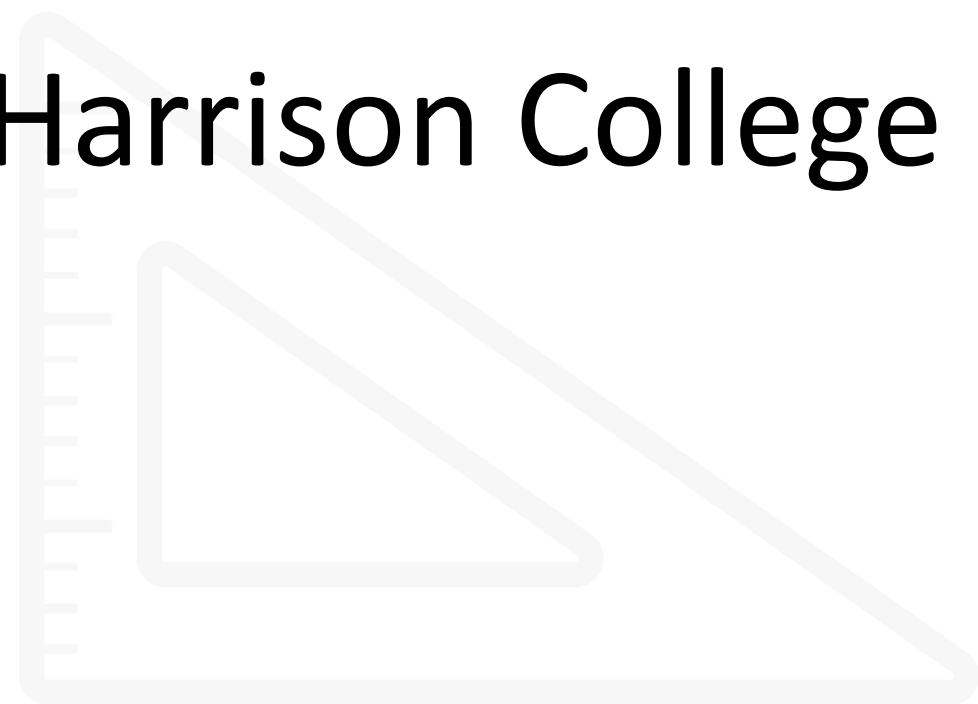
SIGNIFICANT CLOSURES

ITT Technical Institute 2016 - 6 Indiana campuses

Medtech College 2016 - 3 Indiana campuses

Brown Mackie College 2017 - 4 Indiana campuses

Harrison College 2018 - 6 Indiana campuses



RESPONSE 1

ACQUIRE TRANSCRIPTS



PROBLEM

- Sudden closures made it difficult to acquire transcripts
- Transcripts were often in poor shape, lacking key information
- Many transcripts were not retrievable in a digital format



SOLUTION

- In September 2016 Board adopts policies that transcripts must meet AACRAO national standards as a requirement for institutional authorization
- BPE staff acquire 20 years of transcripts in digital files
- BPE enlist the help of April Hay, Registrar of Indiana State University, to audit transcript samples for consistency with AACRAO standards
- Institutions submit evidence of improved transcripts or plan to improve them



RESPONSE 2

IMPROVE FINANCIAL METRICS



PROBLEM

- Significant difficulties in determining the financial health of institutions
- Lack of adequate, available metrics to accurately determine financial stability of institutions
- Federal financial health metrics (federal financial responsibility composite score):
 - Have weaknesses
 - Lack transparency and
 - Are out of date

FINANCIAL RESPONSIBILITY COMPOSITE SCORE

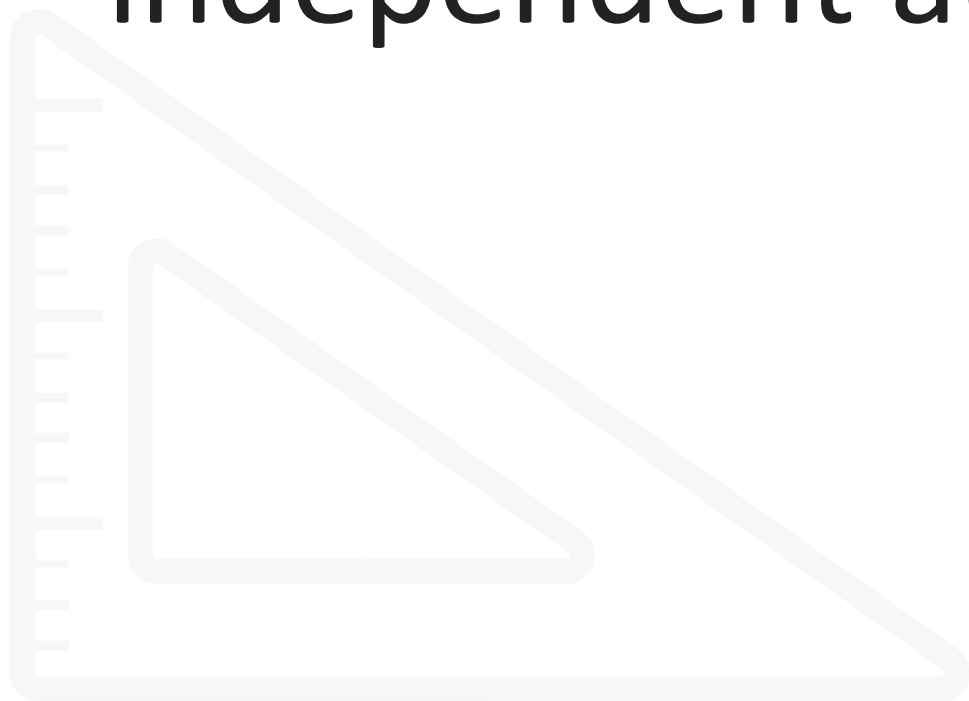
- The scale ranges from **3.0 to negative 1.0**:
 - **1.5 or greater** - the institution is financially responsible.
 - **Less than 1.5 but 1.0 or higher** - financially responsible.*
 - **Less than 1.0** - the institution is not financially responsible. *

**The U.S. DOE requires additional monitoring (e.g. posting a letter of credit).*



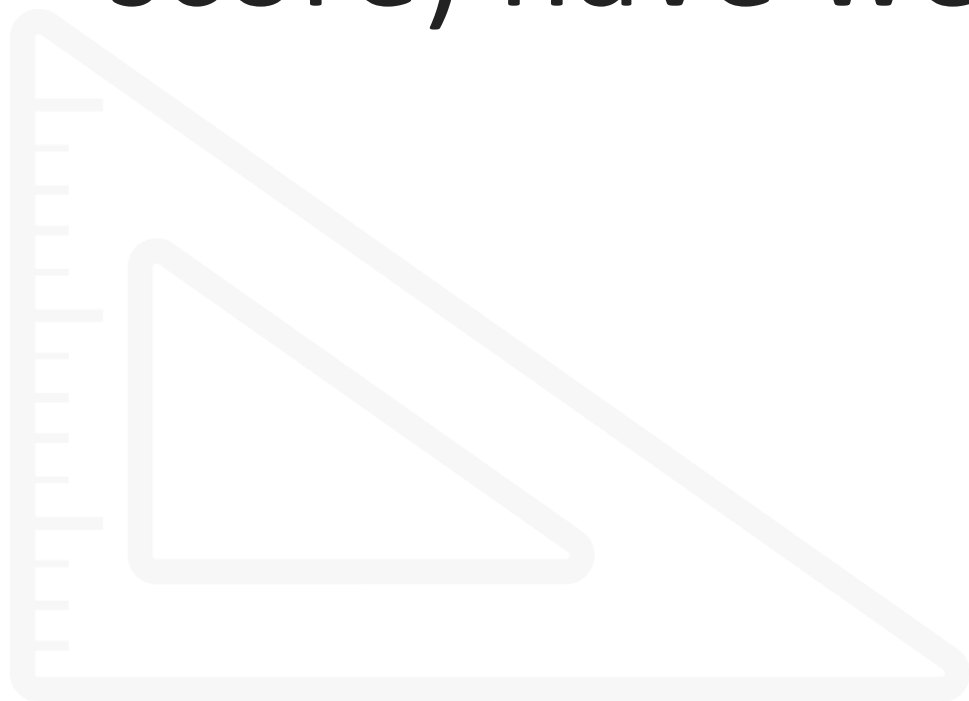
COMPOSITE SCORE AVAILABILITY

- The federal government calculates a composite score for all institutions participating in Title IV federal financial aid
- Institutions not participating in Title IV would not have Federal Financial Responsibility Composite Score calculated by U.S. DOE
- BPE requires these institutions to provide a comparable score calculated by an independent auditor using U.S. DOE methodology.



SOLUTION

- BPE contracted with Plante Moran to analyze audited financial statements for selected BPE institutions
- Plante Moran developed a methodology and metrics for assessing the financial health of institutions
- Federal financial health metrics (federal financial responsibility composite score) have weaknesses and lack transparency



BPE

FEES & FUNDS



FEES: INITIAL AUTHORIZATION

Initial Authorization		<u>Rate</u>
Institutions with a Physical Presence		
One-Time		\$ 1,000
Variable, Per New Program		\$ 300
Institutions with No Physical Presence		
One-Time		\$ 2,000
Variable, Per New Program		\$ 0



FEES: RENEWAL OF AUTHORIZATION

Renewal of Authorization (Annual)

Rate

Institutions with a Physical Presence

Baseline, per Institution	\$ 500
Variable, per Number of Programs	\$ 0

Institutions with No Physical Presence

Baseline, per Institution	\$ 500
Variable, per Number of Programs	\$ 0



FUNDS

- Proprietary Credit-Bearing Fund (PCB)
 - Repository for initial and renewal authorization fees for all institutions and programs
 - Provides general support for carrying out BPE responsibilities
- Career College Student Assurance Fund (CCSAF)
 - Repository for three quarterly contributions only from for-profit institutions for their initial institutional authorization
 - Indemnifies students of a for-profit institution for failure to provide educational services



INDIANA COMMISSION *for*
HIGHER EDUCATION